

# INFLATION BY THE DECADES: 1960s

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# INFLATION BY THE DECADES: 1960s

## KEY FINDINGS

There were limited data on inflation worldwide in the 1960s. Among countries with available data, Indonesia had the worst cumulative inflation rate over the decade, followed by Uruguay, Chile, and Argentina— three South American countries. Uruguay also led the world in increase in inflation percentage points.

Interestingly, Chile and Argentina improved their inflation problem from the previous decade, although the annualized inflation rates were still high. Other Latin American countries such as Bolivia and Paraguay jumped out of the inflation turmoil of the last decade.

Inflation data were not available for most of Asia, Africa, and Eastern Europe. Economies in these areas were weaker and less stable than the rest of the world; therefore, it is natural to suspect that there were cases of high inflation under the radar.

## ABOUT THE PROJECT

Inflation by the Decades provides inflation rate rankings for countries all across the world. These inflation rates are provided in digestible formats that will hopefully make the reader understand the true magnitude of prolonged high inflation and possibly even hyperinflation (an inflation rate of 50% per month). These rankings are provided over each decade from the 1950s to the 2000s.

# METHODOLOGY

The information presented in this report was obtained from three sources.

First, the IMF's International Financial Statistics (IFS) were used whenever data were available. If data were not available via the IFS, the World Bank Development Indicators (WBDI) were used. Finally, if data were not available via the IFS or the WBDI, data from the Economist Intelligence Unit's Online Database (EIU) were used. The reasoning for this ordering was due to the fact that the IFS had the most available data, followed by the WBDI and finally the EIU.

Utilizing these data, we calculated the cumulative inflation rate, the annualized inflation rate, the change in the annualized inflation rate, and the value of the monetary unit, using the following formulas.

$i_x$  = the annual inflation rate for the  $x$ th year in the decade

- 1) Cumulative Inflation Rate =  $[(1 + i_1)(1 + i_2) \dots (1 + i_{10})] - 1$
- 2) Annualized Inflation Rate =  $(\text{Cumulative Inflation Rate} + 1)^{1/10} - 1$
- 3) Change in the Annualized Inflation Rate = (Annualized Inflation Rate in the Previous Decade - Annualized Inflation Rate in the Current Decade)
- 4) The Value of the Monetary Unit =  $1 / (1 + \text{Cumulative Inflation Rate})$

Upon the completion of these calculations, the countries were ranked accordingly.

It should be noted that only countries that had inflation data available for the entire 10-year time period were included in this study in order to remove any confusion or bias in the table.

## ABOUT THE AUTHORS\*

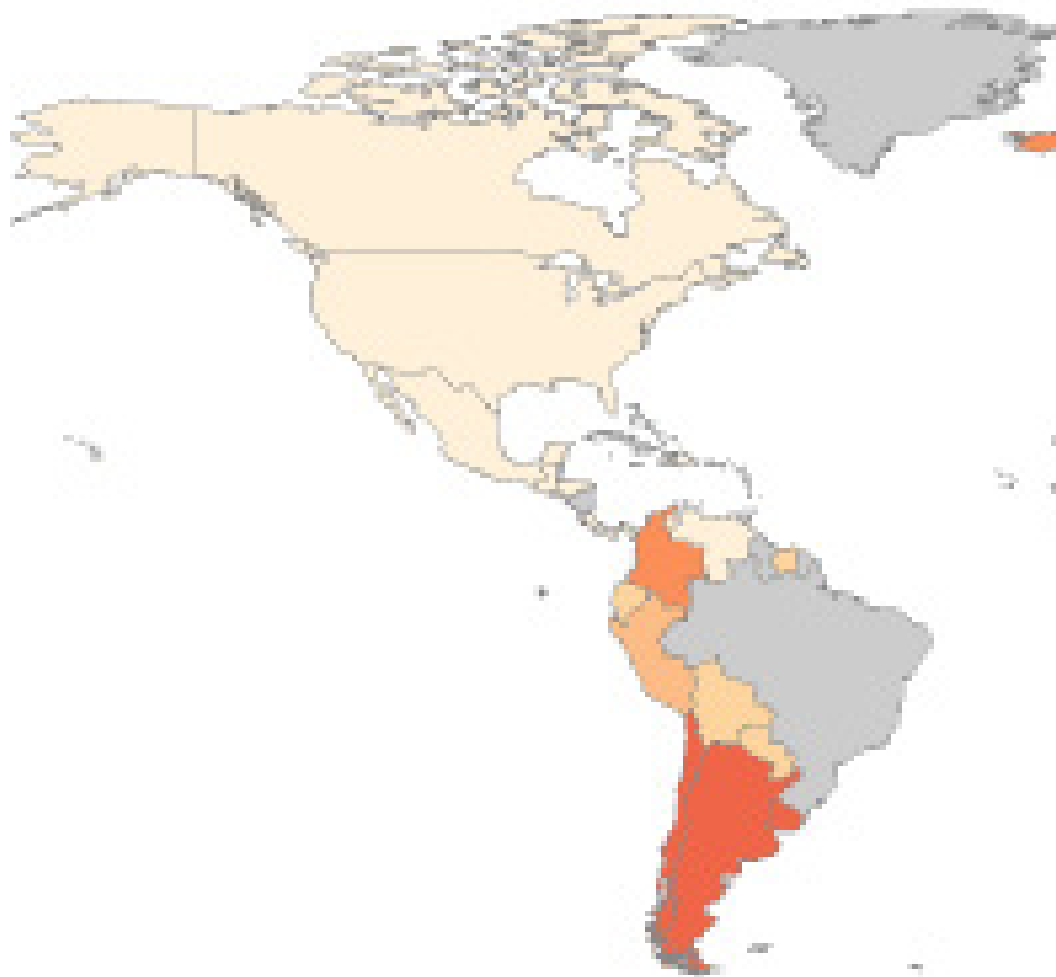
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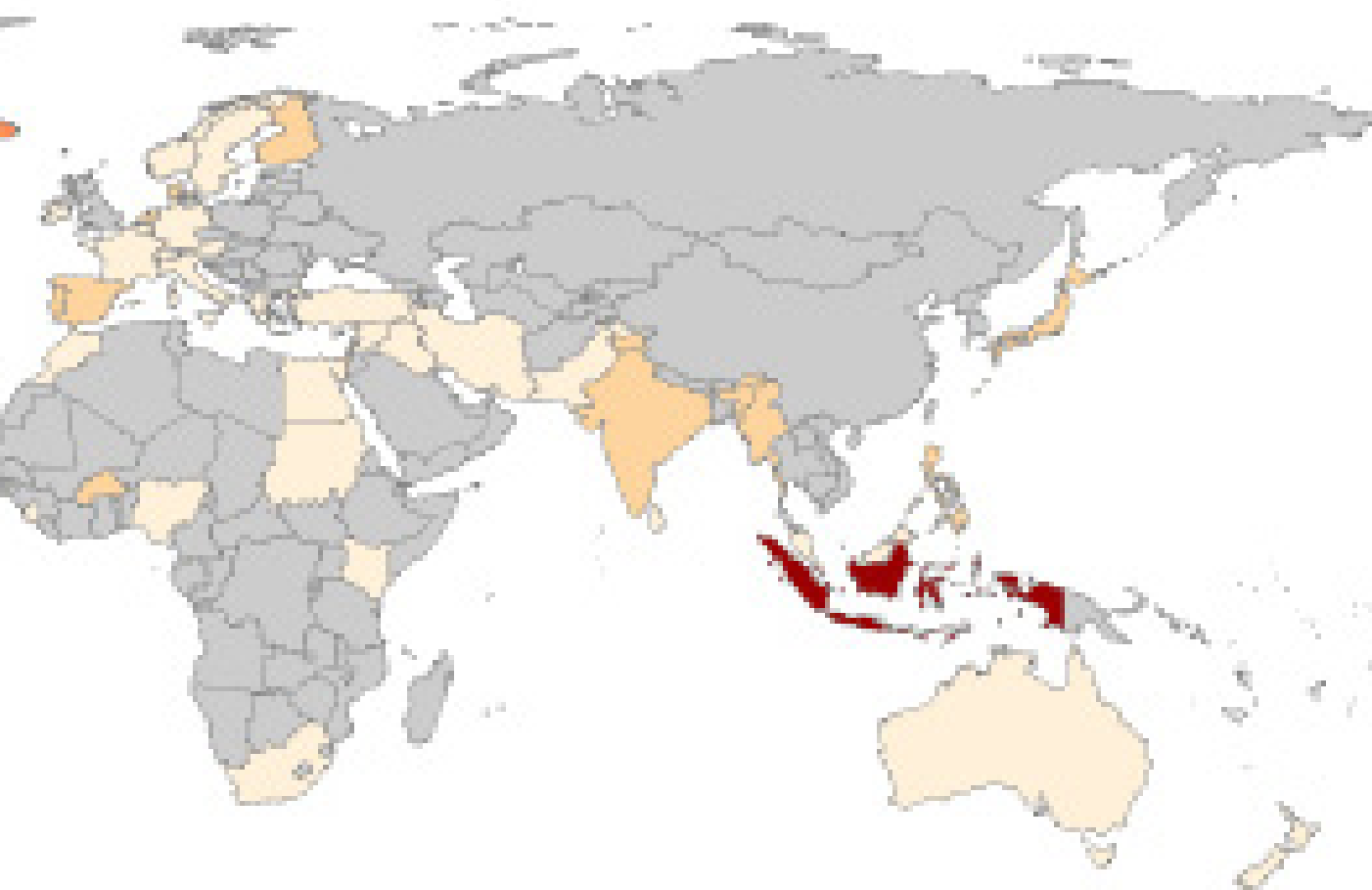
# HOW LITTLE IS YOUR MONEY WORTH?

## GLOBAL INFLATION RANKINGS: 1960-1969



\*The 1969 value of the monetary unit is the relative value in 1969 of one unit of the monetary unit in 1959.

RANK	COUNTRY/TERRITORY	1969 VALUE*	RANK	COUNTRY/TERRITORY	1969 VALUE*	RANK	COUNTRY/TERRITORY	1969 VALUE*	RANK	COUNTRY/TERRITORY	1969 VALUE*
1	INDONESIA	0.00	20	MYANMAR	0.67	39	MEXICO	0.77	57	SYRIAN ARAB RE-PUBLIC	0.84
2	URUGUAY	0.02	21	BURKINA FASO	0.67	40	BELGIUM	0.77	58	DOMINICAN RE-PUBLIC	0.89
3	CHILE	0.11	22	PORTUGAL	0.68	41	CANADA	0.78	59	VENEZUELA	0.89
4	ARGENTINA	0.13	23	IRELAND	0.68	42	IRAN	0.78	60	PANAMA	0.91
5	COLOMBIA	0.36	24	FRANCE	0.68	43	MOROCCO	0.78	61	NETHERLANDS ANTILLES	0.91
6	ICELAND	0.36	25	SWEDEN	0.69	44	SOUTH AFRICA	0.78	62	CYPRUS	0.91
7	PERU	0.40	26	PAKISTAN	0.70	45	AUSTRALIA	0.78	63	MALAYSIA	0.93
8	BOLIVIA	0.55	27	ITALY	0.70	46	GERMANY	0.79	64	GUATEMALA	0.96
9	INDIA	0.56	28	SIERRA LEONE	0.70	47	UNITED STATES	0.80	65	EL SALVADOR	0.96
10	SPAIN	0.57	29	JAMAICA	0.71	48	IRAQ	0.80			
11	JAPAN	0.59	30	NORWAY	0.71	49	SRI LANKA	0.81			
12	DENMARK	0.60	31	TURKEY	0.71	50	LUXEMBOURG	0.81			
13	ISRAEL	0.60	32	NIGERIA	0.72	51	HAITI	0.81			
14	FINLAND	0.61	33	AUSTRIA	0.72	52	COSTA RICA	0.82			
15	PHILIPPINES	0.65	34	NEW ZEALAND	0.73	53	GREECE	0.83			
16	PARAGUAY	0.67	35	SWITZERLAND	0.74	54	HONDURAS	0.83			
17	ECUADOR	0.67	36	SUDAN	0.74	55	KENYA	0.84			
18	SURINAME	0.67	37	TRINIDAD & TOBAGO	0.75	56	MALTA	0.84			
19	NETHERLANDS	0.67	38	EGYPT	0.76						



# HOW MUCH DID PRICES RISE?

## CUMULATIVE INFLATION RATES: 1960-1969

\*The cumulative inflation rate is the total inflation rate of a monetary unit over the decade.

### TOP 5

### TOP 20%

RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION
1	INDONESIA	516,757.9%
2	URUGUAY	4,460.6%
3	CHILE	791.6%
4	ARGENTINA	668.6%
5	COLOMBIA	177.5%

RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION
1	INDONESIA	516,757.9%
2	URUGUAY	4,460.6%
3	CHILE	791.6%
4	ARGENTINA	668.6%
5	COLOMBIA	177.5%
6	ICELAND	175.3%
7	PERU	151.5%
8	BOLIVIA	83.3%

### TOP 20-40%

RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION	RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION
14	FINLAND	63.2%	27	ITALY	42.5%
15	PHILIPPINES	53.3%	28	SIERRA LEONE	42.3%
16	PARAGUAY	50.0%	29	JAMAICA	40.7%
17	ECUADOR	50.0%	30	NORWAY	40.7%
18	SURINAME	49.7%	31	TURKEY	40.5%
19	NETHERLANDS	49.5%	32	NIGERIA	39.5%
20	MYANMAR	49.1%	33	AUSTRIA	38.9%
21	BURKINA FASO	48.5%	34	NEW ZEALAND	37.1%
22	PORTUGAL	48.0%	35	SWITZERLAND	35.9%
23	IRELAND	47.7%	36	SUDAN	34.4%
24	FRANCE	46.0%	37	TRINIDAD & TOBAGO	34.0%
25	SWEDEN	44.6%	38	EGYPT	31.2%
26	PAKISTAN	42.8%	39	MEXICO	30.6%

### TOP 40-60%

### BOTTOM 20-40%

RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION	RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION	RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION	RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION
40	BELGIUM	29.9%	48	IRAQ	24.5%	53	GREECE	21.1%	59	VENEZUELA	12.6%
41	CANADA	28.3%	49	SRI LANKA	24.1%	54	HONDURAS	20.1%	60	PANAMA	10.2%
42	IRAN	28.2%	50	LUXEMBOURG	23.9%	55	KENYA	19.3%	61	NETHERLANDS ANTILLES	10.2%
43	MOROCCO	27.8%	51	HAITI	23.3%	56	MALTA	18.7%	62	CYPRUS	9.9%
44	SOUTH AFRICA	27.8%	52	COSTA RICA	21.3%	57	SYRIAN ARAB REPUBLIC	18.5%	63	MALAYSIA	7.7%
45	AUSTRALIA	27.4%				58	DOMINICAN REPUBLIC	12.8%	64	GUATEMALA	4.7%
46	GERMANY	26.7%							65	EL SALVADOR	3.7%
47	UNITED STATES	25.8%									

## EL SALVADOR

Cumulative Inflation: 3.7%

Annualized Inflation: 0.4%

Value of the Monetary Unit:

1960



1970



1 Salvadoran Colon

0.96 Salvadoran Colon

# HOW DOES THE TOP COMPARE TO THE BOTTOM?

## INDONESIA

Cumulative Inflation:  $5.17 \times 10^5\%$  \*

*\* (that's 5 followed by five zeros)*

Annualized Inflation: 135.1%

Value of the Monetary Unit:

1960



1970 \*\*



1 Indonesian  
Rupiah

0.0002 Indonesian Rupiah

*\*\* Caution: Discerning the 1970 figure  
may cause eye strain.*

# HOW MUCH IS THAT PER YEAR?

## ANNUALIZED INFLATION RATES: 1960-1969

\*The annualized inflation is decomposed from the cumulative inflation rate on a annually compounding basis.

## WHO HAD IT THE WORST?

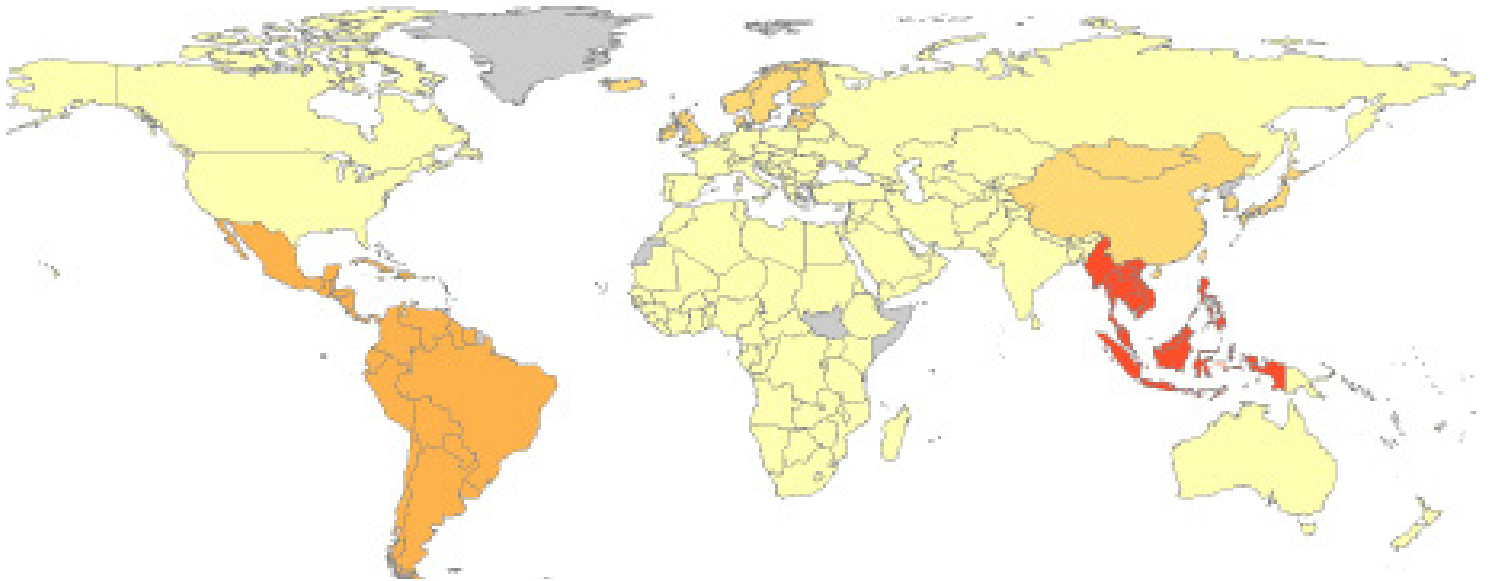
INDONESIA Annualized Inflation Rate 1960s: 135.1%

## I CAN'T COMPREHEND THAT. WHAT DOES THAT REALLY MEAN?

INDONESIA Monthly Inflation Rate: 7.38%  
Daily Inflation Rate: 0.23%  
Time it Take for Price to Double: 296 days

RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION	RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION	RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION	RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION
1	INDONESIA	135.1%	21	BURKINA FASO	4.0%	40	BELGIUM	2.7%	59	VENEZUELA	1.2%
2	URUGUAY	46.5%	22	PORTUGAL	4.0%	41	CANADA	2.5%	60	PANAMA	1.0%
3	CHILE	24.5%	23	IRELAND	4.0%	42	IRAN	2.5%	61	NETHERLANDS ANTILLES	1.0%
4	ARGENTINA	22.6%	24	FRANCE	3.9%	43	MOROCCO	2.5%	62	CYPRUS	0.9%
5	COLOMBIA	10.7%	25	SWEDEN	3.8%	44	SOUTH AFRICA	2.5%	63	MALAYSIA	0.7%
6	ICELAND	10.7%	26	PAKISTAN	3.6%	45	AUSTRALIA	2.5%	64	GUATEMALA	0.5%
7	PERU	9.7%	27	ITALY	3.6%	46	GERMANY	2.4%	65	EL SALVADOR	0.4%
8	BOLIVIA	6.2%	28	SIERRA LEONE	3.6%	47	UNITED STATES	2.3%			
9	INDIA	5.9%	29	JAMAICA	3.5%	48	IRAQ	2.2%			
10	SPAIN	5.7%	30	NORWAY	3.5%	49	SRI LANKA	2.2%			
11	JAPAN	5.3%	31	TURKEY	3.5%	50	LUXEMBOURG	2.2%			
12	DENMARK	5.3%	32	NIGERIA	3.4%	51	HAITI	2.1%			
13	ISRAEL	5.2%	33	AUSTRIA	3.3%	52	COSTA RICA	2.0%			
14	FINLAND	5.0%	34	NEW ZEALAND	3.2%	53	GREECE	1.9%			
15	PHILIPPINES	4.4%	35	SWITZERLAND	3.1%	54	HONDURAS	1.9%			
16	PARAGUAY	4.1%	36	SUDAN	3.0%	55	KENYA	1.8%			
17	ECUADOR	4.1%	37	TRINIDAD & TOBAGO	3.0%	56	MALTA	1.7%			
18	SURINAME	4.1%	38	EGYPT	2.8%	57	SYRIAN ARAB REPUBLIC	1.7%			
19	NETHERLANDS	4.1%	39	MEXICO	2.7%	58	DOMINICAN REPUBLIC	1.2%			
20	MYANMAR	4.1%									





# *ANNUALIZED AVERAGE INFLATION RATES*

Western Europe: 3.1%	North America: 2.4%	East Asia: 5.3%	MENA: 2.7%
Eastern Europe: N/A	Latin America: 7.3%	South Asia: 3.9%	Sub-Saharan Africa: 3.0%
Northern Europe: 5.4%	Oceania: 2.8%	Southeast Asia: 36.1%	Central Asia: N/A
Southern Europe: 3.4%			

# HOW MUCH DID IT CHANGE?

## CHANGES IN ANNUALIZED INFLATION: 1950s TO 1960s

\*The 1960s changes in annualized inflation rate are the percentage changes of annualized inflation rates from 1950s to 1960s for each country.

### THE BIGGEST MOVERS UP

1	URUGUAY	34.0%	5	PORTUGAL	3.3%
2	MYANMAR	6.9%	6	ICELAND	2.8%
3	INDIA	4.0%	7	IRAQ	2.4%
4	PHILIPPINES	3.9%	8	COLOMBIA	2.4%

### THE BIGGEST MOVERS DOWN

1	BOLIVIA	-55.6%	5	MEXICO	-4.8%
2	PARAGUAY	-32.5%	6	GREECE	-4.5%
3	CHILE	-12.0%	7	EL SALVADOR	-4.2%
4	ARGENTINA	-5.0%	8	AUSTRALIA	-3.9%

RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION	CHANGE FROM 1950s	RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION	CHANGE FROM 1950s	RANK	COUNTRY/TERRITORY	ANNUALIZED INFLATION	CHANGE FROM 1950s
1	BOLIVIA	6.2%	-55.6%	24	BELGIUM	2.7%	0.9%	46	SURINAME	4.1%	
2	PARAGUAY	4.1%	-32.5%	25	PANAMA	1.0%	1.0%	47	NETHERLANDS	4.1%	
3	CHILE	24.5%	-12.0%	26	SRI LANKA	2.2%	1.1%	48	BURKINA FASO	4.0%	
4	ARGENTINA	22.6%	-5.0%	27	GERMANY	2.4%	1.3%	49	IRELAND	4.0%	
5	MEXICO	2.7%	-4.8%	28	SYRIAN ARAB RE-PUBLIC	1.7%	1.5%	50	PAKISTAN	3.6%	
6	GREECE	1.9%	-4.5%	29	PERU	9.7%	1.5%	51	ITALY	3.6%	
7	EL SALVADOR	0.4%	-4.2%	30	EGYPT	2.8%	1.9%	52	SIERRA LEONE	3.6%	
8	AUSTRALIA	2.5%	-3.9%	31	SWITZERLAND	3.1%	2.0%	53	JAMAICA	3.5%	
9	FRANCE	3.9%	-2.1%	32	COLOMBIA	10.7%	2.4%	54	TURKEY	3.5%	
10	MOROCCO	2.5%	-2.1%	33	IRAQ	2.2%	2.4%	55	NIGERIA	3.4%	
11	NORWAY	3.5%	-2.0%	34	ICELAND	10.7%	2.8%	56	AUSTRIA	3.3%	
12	NEW ZEALAND	3.2%	-1.8%	35	PORTUGAL	4.0%	3.3%	57	SUDAN	3.0%	
13	IRAN	2.5%	-1.7%	36	PHILIPPINES	4.4%	3.9%	58	TRINIDAD & TOBAGO	3.0%	
14	MALAYSIA	0.7%	-1.7%	37	INDIA	5.9%	4.0%	59	SOUTH AFRICA	2.5%	
15	MALTA	1.7%	-1.5%	38	MYANMAR	4.1%	6.9%	60	HAITI	2.1%	
16	GUATEMALA	0.5%	-1.3%	39	URUGUAY	46.5%	34.0%	61	COSTA RICA	2.0%	
17	HONDURAS	1.9%	-0.7%	40	INDONESIA	135.1%		62	KENYA	1.8%	
18	SWEDEN	3.8%	-0.6%	41	JAPAN	5.3%		63	DOMINICAN REPUB-LIC	1.2%	
19	VENEZUELA	1.2%	-0.5%	42	DENMARK	5.3%		64	NETHERLANDS AN-TILLES	1.0%	
20	SPAIN	5.7%	-0.4%	43	ISRAEL	5.2%		65	CYPRUS	0.9%	
21	LUXEMBOURG	2.2%	0.1%	44	FINLAND	5.0%					
22	CANADA	2.5%	0.2%	45	ECUADOR	4.1%					
23	UNITED STATES	2.3%	0.5%								

# THE HANKE-KRUS WORLD INFLATION TABLE: 1960s

RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION	ANNUALIZED INFLATION	CHANGE FROM 1950s	1969 VALUE*	RANK	COUNTRY/TERRITORY	CUMULATIVE INFLATION	ANNUALIZED INFLATION	CHANGE FROM 1950s	1969 VALUE*
1	INDONESIA	516,757.9%	135.1%		0.00	35	SWITZERLAND	35.9%	3.1%	2.0%	0.74
2	URUGUAY	4,460.6%	46.5%	34.0%	0.02	36	SUDAN	34.4%	3.0%		0.74
3	CHILE	791.6%	24.5%	-12.0%	0.11	37	TRINIDAD & TOBAGO	34.0%	3.0%		0.75
4	ARGENTINA	668.6%	22.6%	-5.0%	0.13	38	EGYPT	31.2%	2.8%	1.9%	0.76
5	COLOMBIA	177.5%	10.7%	2.4%	0.36	39	MEXICO	30.6%	2.7%	-4.8%	0.77
6	ICELAND	175.3%	10.7%	2.8%	0.36	40	BELGIUM	29.9%	2.7%	0.9%	0.77
7	PERU	151.5%	9.7%	1.5%	0.40	41	CANADA	28.3%	2.5%	0.2%	0.78
8	BOLIVIA	83.3%	6.2%	-55.6%	0.55	42	IRAN	28.2%	2.5%	-1.7%	0.78
9	INDIA	77.8%	5.9%	4.0%	0.56	43	MOROCCO	27.8%	2.5%	-2.1%	0.78
10	SPAIN	74.1%	5.7%	-0.4%	0.57	44	SOUTH AFRICA	27.8%	2.5%		0.78
11	JAPAN	68.3%	5.3%		0.59	45	AUSTRALIA	27.4%	2.5%	-3.9%	0.78
12	DENMARK	67.9%	5.3%		0.60	46	GERMANY	26.7%	2.4%	1.3%	0.79
13	ISRAEL	65.6%	5.2%		0.60	47	UNITED STATES	25.8%	2.3%	0.5%	0.80
14	FINLAND	63.2%	5.0%		0.61	48	IRAQ	24.5%	2.2%	2.4%	0.80
15	PHILIPPINES	53.3%	4.4%	3.9%	0.65	49	SRI LANKA	24.1%	2.2%	1.1%	0.81
16	PARAGUAY	50.0%	4.1%	-32.5%	0.67	50	LUXEMBOURG	23.9%	2.2%	0.1%	0.81
17	ECUADOR	50.0%	4.1%		0.67	51	HAITI	23.3%	2.1%		0.81
18	SURINAME	49.7%	4.1%		0.67	52	COSTA RICA	21.3%	2.0%		0.82
19	NETHERLANDS	49.5%	4.1%		0.67	53	GREECE	21.1%	1.9%	-4.5%	0.83
20	MYANMAR	49.1%	4.1%	6.9%	0.67	54	HONDURAS	20.1%	1.9%	-0.7%	0.83
21	BURKINA FASO	48.5%	4.0%		0.67	55	KENYA	19.3%	1.8%		0.84
22	PORTUGAL	48.0%	4.0%	3.3%	0.68	56	MALTA	18.7%	1.7%	-1.5%	0.84
23	IRELAND	47.7%	4.0%		0.68	57	SYRIAN ARAB RE-PUBLIC	18.5%	1.7%	1.5%	0.84
24	FRANCE	46.0%	3.9%	-2.1%	0.68	58	DOMINICAN REPUBLIC	12.8%	1.2%		0.89
25	SWEDEN	44.6%	3.8%	-0.6%	0.69	59	VENEZUELA	12.6%	1.2%	-0.5%	0.89
26	PAKISTAN	42.8%	3.6%		0.70	60	PANAMA	10.2%	1.0%	1.0%	0.91
27	ITALY	42.5%	3.6%		0.70	61	NETHERLANDS ANTILLES	10.2%	1.0%		0.91
28	SIERRA LEONE	42.3%	3.6%		0.70	62	CYPRUS	9.9%	0.9%		0.91
29	JAMAICA	40.7%	3.5%		0.71	63	MALAYSIA	7.7%	0.7%	-1.7%	0.93
30	NORWAY	40.7%	3.5%	-2.0%	0.71	64	GUATEMALA	4.7%	0.5%	-1.3%	0.96
31	TURKEY	40.5%	3.5%		0.71	65	EL SALVADOR	3.7%	0.4%	-4.2%	0.96
32	NIGERIA	39.5%	3.4%		0.72						
33	AUSTRIA	38.9%	3.3%		0.72						
34	NEW ZEALAND	37.1%	3.2%	-1.8%	0.73						

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